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DIRECTOR OF CENTRAL INTELLIGENCE  
 Intelligence Producers Council  
 Washington, D.C. 20505

ICS 6900/88  
 6 May 1988

MEMORANDUM FOR:

[redacted]  
Chief, DI/MPSS

25X1

FROM:

Chief, Intelligence Producers Council Staff

SUBJECT:

[redacted] Production Enhancement Initiative Program (PEI)

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1. As you know, we recently wrapped up the FY 88 PEI program. The program's popularity has increased significantly, so much so that for the first time in its history promising initiatives were rejected. I have provided the attached matrix to give you a sense of the program's utility and its funding profile. To say the least, it could readily support additional funding--at a minimum the restoration of the eight percent cut sustained in FY 88. I stand prepared to provide whatever documentation is needed to justify an FY 89 funding increase. [redacted]

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2. On 20 April, the Intelligence Producers Council (IPC) approved 11 PEIs for funding, bringing the total FY 88-approved PEIs to 16, at a cost of [redacted]. In addition, [redacted] for second year funding of FY 87 PEIs was distributed, for a total FY 88 expenditure of [redacted]. Pending the availability of funds in FY 89, we have obligated [redacted] for second year funding of the 16 new initiatives. The staff has initiated a Form 2420 for all approved PEIs, and your staff is currently taking action to disperse the appropriate funds for these proposals. [redacted]

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3. Although the program suffered an eight percent cut from the originally requested [redacted] the remaining funds have been well spent supporting several excellent Community initiatives. The 16 approved PEIs address a myriad of subjects of high Community interest such as [redacted]

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[redacted] The attached matrix details the various intelligence issues addressed by the approved PEIs. [redacted]

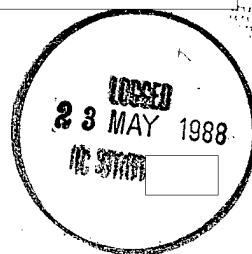
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4. The matrix also provides details of funding levels requested, contrasted with the funding levels approved. The comparison of what has been accomplished with the potential of the PEI program is dramatic. In addition, Intelligence Community interest and the number of submissions has grown tremendously. This phenomenal growth in the PEI program (68 submissions in FY 88 versus 15 in FY 87) has provided a wide range of excellent proposals to choose from, enhancing the quality of those proposals selected for funding. We anticipate that this growth will continue in FY 89 due to the success of this year's PEI cycle and to continuing budgetary constraints throughout the Community.

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5. Additionally, the IPC Staff has invited those sponsors whose proposal shows potential for future funding to recast and resubmit. Four examples of these PEIs are listed in the matrix. The process of recasting, along with peer review, staff review, and IPC member comments has already enhanced the Community value of the PEI program. Seven of the approved FY 88 proposals have been recast.

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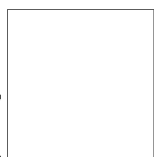
6. The Staff is currently preparing itself and the Intelligence Community for the FY 89 PEI cycle. We have tentatively scheduled a 12 August 1988 due date for new Community submissions, and we are looking forward to continued growth in Community response.

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Attachment:  
PEI Program Matrix

P.S.



*- If there is any way I can do for you on this program, please let me know.*

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ICS/IPC, [ ] 6 May 88

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